

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
W. R. GRACE & CO., <u>et al.</u> , ¹)	Case No. 01-01139 (JFK)
)	(Jointly Administered)
)	
Debtors.)	

**SUPPLEMENTAL DISCLOSURE AFFIDAVIT IN
CONNECTION WITH THE RETENTION OF ERNST & YOUNG LLP
AS ORDINARY COURSE PROFESSIONAL TO THE DEBTORS**

Gerald Tammaro, being duly sworn, deposes and says:

1. I am a partner of Ernst & Young LLP ("E&Y (US)"), a Delaware limited liability partnership. I provide this affidavit on behalf of E&Y (US) in connection with its retention as an ordinary course professional ("OCP") of the Debtors.

2. The facts set forth in this affidavit are based upon information and belief and upon records kept in the ordinary course of business that were reviewed by me or other employees of E&Y (US).

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc.), Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc.), E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

3. In accordance with (a) this Court's *Order Pursuant to 11 U.S.C. §§ 1107(a) and 1108 Authorizing the Debtors to Employ and Compensate Certain Professionals Utilized in the Ordinary Course of the Debtors' Business*, dated May 3, 2001 and (b) this Court's *Order Lifting OCP Total Expenditure Cap for Ernst & Young LLP and Permitting Retention of Fees Paid*, dated July 10, 2008, E&Y (US) has been providing certain tax compliance services, tax advisory services (including expatriate tax services) and employee global assignment services to the Debtors as an OCP during these chapter 11 cases.

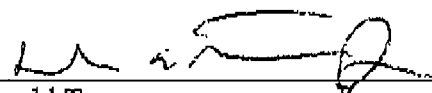
4. Ernst & Young LLP, an Ontario limited liability partnership ("E&Y (Canada)"), and Grace Canada, Inc. ("Grace Canada") are parties to an engagement letter pursuant to which E&Y (Canada) will assist Grace Canada with pursuing a bilateral advanced pricing arrangement with the Canada Revenue Agency and the United States Internal Revenue Service in respect of certain intercompany transactions between Grace Canada and W.R. Grace & Co. (the "Services"). Grace Canada is obligated to pay EY (Canada)'s fees and expenses under the engagement letter. I understand that Grace Canada is not a debtor in these chapter 11 cases.

5. Because the Services (a) relate to intercompany transactions between certain Grace entities in the United States and Canada and (b) include preparing written submissions to, and meeting with, the United States Internal Revenue Service, E&Y (US) will assist E&Y (Canada) in providing the Services to Grace Canada. Pursuant to a memorandum of understanding between E&Y (US) and E&Y (Canada) pertaining to the Services, E&Y (US) will work on this matter under the general supervision and direction of E&Y (Canada)'s personnel. Moreover, E&Y (US) will charge fees and expenses based on its time and materials to E&Y (Canada)'s account via a global settlements process on a monthly basis, consistent with an agreed-upon budget for each phase of the engagement.

6. E&Y (US) and E&Y (Canada) are separate legal entities. While they have, through various agreements, a close operational relationship, that, *inter alia*, provides for certain shared costs and services and mutual financial support, the two firms do not share their profits or their fees on professional engagements generally.

7. The Ernst & Young global network encompasses independent professional services practices conducted by separate legal entities throughout the world. Such legal entities are members of Ernst & Young Global Limited ("EYGL"), a company incorporated under the laws of England and Wales and limited by guarantee, with no shareholders and no capital. The member firms of EYGL have agreed to operate certain of their professional practices in accordance with agreed standards, but remain separate legal entities. E&Y (US) and E&Y (Canada) are both members of EYGL.

Dated: MARCH 8th, 2012


Gerald Tammaro

Sworn to and subscribed before me this 8th day of March, 2012.

Christine Louise Malone

Notary Public

My Commission Expires: _____

